

Before the  
Federal Communications Commission  
Washington, D.C. 20554

FCC 96-182

In the Matter of )

Implementation of the Local Competition )  
Provisions in the Telecommunications Act )  
of 1996 )

CC Docket No. 96-98

DOCKET FILE COPY ORIGINAL  
COMMENTS OF UNICOM, INC.  
IN RESPONSE TO NOTICE OF PROPOSED RULEMAKING  
RELEASED APRIL 19, 1996

RECEIVED  
MAY 15 1996  
FCC MAIL ROOM

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Unicom, Inc. (Unicom) is a start-up company that will be providing long distance and wireless services in Alaska in direct competition with other interexchange carriers (ICs), including AT&T and GCI. Unicom is an affiliate of United Utilities, Inc., a local exchange carrier (LEC) that serves approximately 4,600 access lines in 58 locations in rural Alaska. Unicom is interested in expanding the scope of this proceeding to promote competition in long distance services.

In Alaska and other rural states, there is little, if any, competition in the provision of long distance service in rural areas. At the present time, only AT&T with its statewide facilities and GCI with limited facilities in rural areas compete in the provision of facilities-based long distance services in Alaska. The Telecommunications Act of 1996 (the Act) provides for competition to exist in **all** markets, including interexchange markets. One of the objectives of the Act is:

“...to provide a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition...” (Conference Report)

The Notice of Proposed Rulemaking (NPRM) addresses interconnection and other requirements that are exclusively focused on the provision of local exchange services. To comply with the Act's objective of providing a pro-competitive framework in **all** telecommunications markets, the Commission should take this opportunity to include interexchange services in its deliberations. ICs will be competing to provide local exchange services. In addition, either directly or through an affiliate, LECs will be competing to provide long distance services. The requirements with which the LECs must comply should also be extended to ICs in order for competitive markets to be able to evolve. These requirements include interconnection, collocation, unbundled elements, the matter of resale, and any other issues with which the Commission will make LECs comply.

Without parity between ICs and LECs, ICs with substantial financial resources will clearly have an **unfair** competitive advantage over LECs, especially smaller LECs with limited financial resources. If the Commission does not resolve this inequity, LECs and other competitors desiring to provide long distance services will be saddled with having to resolve disputes before the Commission and state regulators. This would clearly work to the advantage of the incumbent ICs who have the ability to forestall competition through lengthy and expensive regulatory proceedings.

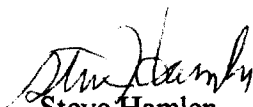
Under the Act (Sec.252 (d) (3)), LECs are required to set wholesale rates that are less than retail rates using a standard procedure. ICs, however, are free to set wholesale rates that are **greater than** retail rates (reference AT&T Alascom's Alaska Intrastate Tariff) and to set wholesale rates **at retail**. This is discriminatory, anti-competitive, and patently unfair. ICs may claim that they **should** not have to set wholesale rates in the same manner as LECs because of the requirement to geographically average rates (Sec.254 (b) (3) of the Act). However, ICs are eligible to receive federal universal service support under the Act (Sec.254) to the extent this support is needed to provide the long distance segment of the services that are to be included within the definition of universal service. The Commission needs to require ICs to set wholesale

rates in the same manner as LECs. There is no valid reason to permit ICs to thwart competition by permitting them to set wholesale rates in a way that discourages competition.

ICs have discouraged competition and can continue to do so by being nonresponsive to requests for interconnection, collocation, and unbundling. The Commission has the opportunity in this proceeding to establish the ground rules for ICs, not just LECs, on these issues. Unicom is recommending that the Commission extend to the ICs the interconnection, collocation, and unbundling requirements that it adopts for LECs. This would signal that the Commission recognizes that both ICs and LECs have to abide by essentially the same rules. We have included (see Attachment 1) a copy of a complaint that Unicom has recently filed with the Alaska Public Utilities Commission against AT&T Alascom for not responding to Unicom's request for services.

The Commission has the opportunity in this proceeding to adopt regulations that apply equally to all competitors, not just LECs. This will help *all* the players, including ICs, to understand the rules of the road and thereby encourage competition in *all* markets. This would also discourage anti-competitive behavior by ICs. Unicom requests that the Commission adopt regulations that are fair, that comply with the Act, and that apply equally to ICs and LECs.

Respectfully submitted,

  
Steve Hamlen  
President

Before the  
Federal Communications Commission  
Washington, D.C. 20554

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**AFFIDAVIT OF SERVICE**

I hereby certify that copies of the

**COMMENTS OF UNICOM, INC.  
IN RESPONSE TO NOTICE OF PROPOSED RULEMAKING  
RELEASED APRIL 19, 1996**

were mailed on May 13, 1996 to the Office of the Secretary, Federal Communications Commission.

Dated this 13th day of May 1996.

UNITED UTILITIES, INC.

BY:

  
Laurie A. Kemper

STATE OF ALASKA

THE ALASKA PUBLIC UTILITIES COMMISSION

Before Commissioners:

Don Schroer, Chairman  
Alyce A. Hanley  
Dwight D. Ornquist  
G. Nanette Thompson  
Sam Cotten

In the Matter of the Formal Complaint )  
Against Alascom, Inc. )  
\_\_\_\_\_ )

FORMAL COMPLAINT AGAINST  
ALASCOM, INC.

U-96-  
RECEIVED  
MAY 15 1996  
REG. MAIL ROOM

Unicom, Inc. (Unicom) files this formal complaint against AT&T Alascom, Inc. (Alascom). The complaint is that Alascom has not responded to Unicom's request for Alascom to provide automated message accounting (AMA) call detail record by presubscribed access line. On October 30, 1995 (Attachment A) Steve Pratt, Manager, Revenue Requirements, Unicom, made the following inquiry; "Is AT&T Alascom willing and able to provide AMA call detail records generated by our presubscribed access lines?" On November 21, 1995 (Attachment B), Sean O'Shea, Vice President, Sales and Customer Service, Alascom, replied:

"In order to provide AMA call detail to Unicom, a process would have to be developed that allows us to separate AMA call detail by presubscribed access lines. This would necessitate, at a minimum, the development and maintenance of a data base that identifies carrier selection by customer. Developing and maintaining this database would be crucial not only for insuring proper end user billing, but also from the perspective of insuring proper message counting for Billing & Collection. Needless to say, maintaining a new data base for presubscription tracking would require Alascom to incur costs that would be incremental to this line of activity.

Given development of a tracking system, Alascom would be "physically" able to provide AMA call detail to Unicom, however, Alascom would need to be compensated for all costs incurred in order to develop and maintain a data base that efficiently tracks customer presubscription. At this time, Alascom has not developed pricing for this type of system development and database maintenance "

On December 13, 1995 (Attachment C), Steve Hamlen, President, United Companies, Inc., dba Unicom, formally requested AMA services from Alascom:

"Unfortunately, Sean O'Shea's November 21, 1995 reply to Steve Pratt's October 30, 1995 inquiry did not explain when AT&T Alascom can provide AMA call detail records by presubscribed access line or what AT&T Alascom would charge for this service. **Unicom desires to have an Agreement in place with AT&T Alascom as soon as possible but not later than February 12, 1996 so that Unicom can order equal access and be on the presubscription ballot for various locations in Alaska.** We're requesting that charges for the delivery of AMA call detail records be quoted for; (1) locations served by DAMA technology and, (2) for all other locations. We believe that the AMA call detail records can be easily provided from the DAMA network controller software at a nominal cost. We will also need to know when AMA can be provided and the pricing and availability of operator and other services."

To date, Alascom has not responded to Unicom's December 13, 1995 correspondence nor its subsequent verbal requests to receive AMA services. Unicom, now a separate subsidiary of United Companies, Inc., has recently been certificated to provide intrastate interexchange services (U-96-15, Order Number 1). Alascom's failure to respond to Unicom's request is in violation of the provisions of Article 10. Competitive Intrastate Long Distance Telephone Service (Sec. 42.05.800, Sec. 42.05.810, and 42.05.860). Alascom can effectively discourage and prevent competition by being nonresponsive to requests to provide AMA.

### **Requested Relief**

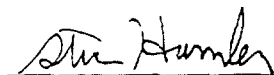
Prompt action by this Commission is required to prevent ongoing harm to the competitive marketplace. Unicom and other interexchange carriers that plan on participating in equal access balloting need to know whether Alascom is going to provide AMA and under what conditions. Unicom will be harmed if it proceeds to make uneconomical investments in AMA, especially in high cost rural locations, when Alascom should be able to provide this service more economically through its centralized DAMA and switching facilities. Unicom will also be harmed if this issue is not resolved in a timely manner since Unicom does not want its marketing of long distance services and its participation in equal access balloting needlessly delayed. Further delays in resolving this issue could also prevent Unicom from being on an equal access ballot. Unicom would be forever denied the opportunity of being on an equal access ballot if it did not have AMA in place since balloting only takes place once. Unicom is therefore requesting that the Commission require Alascom to provide AMA services. In addition, Alascom should be required to identify the date that AMA will be available, pricing for AMA, and procedures for carriers to order AMA services. Also, Alascom should be required to provide AMA, and pricing for AMA

for; (1) locations served via Alascom's DAMA system, and (2) all other Alascom locations.

Unicom has also on this date filed a "Motion For Expedited Action" for Alascom to respond to this complaint within 10 days.

Respectfully submitted this 19th day of April, 1996.

Unicom, Inc




By: Steve Hamlen

Its: President

**VERIFICATION**

I, Steve Hamlen, President, Unicom, Inc., say on oath and affirm that I have read the **Formal Complaint Against Alascom, Inc.** and believe all statements made in those documents are true and correct to the best of my knowledge.

  
Steve Hamlen

SUBSCRIBED AND SWORN to before me this 22nd day of April 1996.

  
NOTARY PUBLIC FOR ALASKA

My Commission Expires: 9-21-99

*Telecopied at 11 AM.  
Hand delivered in PM*      *Attachment A*



October 30, 1995

Ted Moninski  
Regulatory Affairs Director  
AT&T Alascom, Inc.  
210 East Bluff Road  
Anchorage, Alaska 99501

Dear Ted,

United Companies, Inc. is reviewing the potential for reselling AT&T Alascom toll services. We would expect to deliver traffic aggregated from presubscribed access lines to your point of termination. Issues requiring immediate clarification include:

- Is AT&T Alascom willing and able to provide AMA call detail records generated by our presubscribed access lines?
- Could transport services be purchased under either the wholesale tariffs or retail calling packages?
- Can arrangements be made for the resale of 800 type services?
- Are operator services available under contract (e.g. O+, O-, DA)?
- Are central toll investigation services available?
- How could the return of 900/976 services be handled?
- Under which tariff or agreement would international calls be handled?
- Does AT&T Alascom have any active resale agreements which we could use as a model, or resellers whom we could contact?

Your response by November 6, 1995 would be appreciated. Please contact either myself or Steve Hamlen with any questions pertaining to this request.

Very truly yours,

Steve Pratt  
Manager, Revenue Requirements

cc: Steve Hamlen  
Chuck Russell



Attachment B



AT&amp;T

J. J. O'Shea  
Sales & Customer Services  
Vice President

AT&T Alascom  
210 East Bluff Road  
Anchorage, AK 99501-1100  
907-264-7629

November 21, 1995

UNICOM  
Attn.: Mr. Steve Pratt  
Mgr., Revenue Requirements  
5450 A Street  
Anchorage, AK 99518-1291

Dear Steve:

This letter addresses issues you raised in your letter dated October 30, 1995.

**1) Is AT&T Alascom willing and able to provide AMA call detail records generated by our presubscribed access lines?**

In order to provide AMA call detail to Unicom, a process would have to be developed that allows us to separate AMA call detail by presubscribed access lines. This would necessitate, at a minimum, the development and maintenance of a data base that identifies carrier selection by customer. Developing and maintaining this database would be crucial not only for insuring proper end user billing, but also from the perspective of insuring proper message counting for Billing & Collection. Needless to say, maintaining a new data base for presubscription tracking would require Alascom to incur costs that would be incremental to this line of activity.

Given development of a tracking system, Alascom would be "physically" able to provide AMA call detail to Unicom; however, Alascom would need to be compensated for all costs incurred in order to develop and maintain a database that efficiently tracks customer presubscription. At this time, Alascom has not developed pricing for this type of system development and database maintenance.

**2) Could transport services be purchased under either the wholesale tariffs or retail calling packages?**

Assuming all necessary regulatory approvals are secured (e.g. Certificate of Public Necessity and Convenience), and all other issues regarding billing and account maintenance are addressed, Alascom transport services could conceivably be purchased under the wholesale tariff or with retail calling packages.

**3) Can arrangements be made for the resale of 800 type services?**

This will require more investigation. Among other possible issues, billing and 800 query charge payments may need to be addressed.

**4) Are operator services available under contract (e.g. 0+, 0-, DA)?**

Providing operator services under contract would require reconfiguration of our operator services such that incoming calls associated with a Unicom presubscribed line can be separately identified. Again, as in providing AMA call detail, Alascom would need to be compensated for the costs it incurs to provide operator services under contract. The costs incurred would then be used as an input into determining a price structure for operator services.

**5) Are central toll investigation services available?**

Central Toll Investigation would be provided to our customer, who in the scenario being addressed, would be Unicom. The investigation would be limited to confirmation of call placement, confirmation of call date, call holding time and Orig./Term. Line telephone numbers. This investigation would require a separate charge which covers the costs incurred; CTI under existing or future B&C arrangements would only apply to those end users who are presubscribed to Alascom. Under this resale scenario, call rating, billing and collection for the Unicom presubscribed end user would be the responsibility of Unicom while CTI (of the nature mentioned above) is provided by Alascom under a separate charge.

**6) How could the return of 900/976 services be handled?**

Call screening for 900/976 calls would need to be done at Unicom's location. Any bill credits requested by an end user would be Unicom's responsibility as would any end user revenues that are uncollectible.

7) Under which tariff or agreement would international calls be handled?


International calls would be handled under Alascom FCC Tariff No. 10.

8) Does AT&T Alascom have any active resale agreements which we could use as a model, or resellers whom we could contact?

There are no active resale agreements which could be used as a model for this resale proposal.

I will be out of the office until approximately December 11, however, should you wish discuss the issues addressed above or any additional issues, please contact Robert Hattemer at 264-7228.

Sincerely,

 For Sean O.  
Sean O'Shea, Vice President,  
Sales and Customer Service

/mjv

cc: Robert Hattemer  
Ted Moninski

Case n.  
Attachment C



Steve Hamlen  
President

December 13, 1995

Ted Moninski  
Regulatory Affairs Director  
AT&T Alascom, Inc.  
210 East Bluff Road  
Anchorage, Alaska 99501

SUBJECT: Request For Services

Dear Ted:

Unicom will soon be filing applications with the APUC and the FCC to become an interexchange carrier. In order for us to deliver interexchange services we will need to be able to obtain services from AT&T Alascom. These services include transport services and the delivery of AMA call detail records by presubscribed access line. We're also interested in obtaining operator services and other services that may be necessary for Unicom to operate as an interexchange carrier.

Unfortunately, Sean O'Shea's November 21, 1995 reply to Steve Pratt's October 30, 1995 inquiry did not explain when AT&T Alascom can provide AMA call detail records by presubscribed access line or what AT&T Alascom would charge for this service. **Unicom desires to have an Agreement in place with AT&T Alascom as soon as possible but not later than February 12, 1996 so that Unicom can order equal access and be on the presubscription ballot for various locations in Alaska.** We're requesting that charges for the delivery of AMA call detail records be quoted for: (1) locations served by DAMA technology and, (2) for all other locations. We believe that the AMA call detail records can be easily provided from the DAMA network controller software at a nominal cost. We will also need to know when AMA can be provided and the pricing and availability of operator and other services.

Please let me know if you have any questions. Our consultants will be in Anchorage on January 3 -5, 1996.

Sincerely yours,